



Filing Sales and Use Tax Returns (Forms ST-50/ST-51)

Bulletin S&U-7

Introduction

This bulletin explains how and when to file the New Jersey sales and use tax monthly and quarterly returns used by most businesses (Forms ST-51 and ST-50), and the Annual Business Use Tax Return (Form ST-18B) used by certain qualifying “nonvendors.”

Important Notes

- *The ST-50/ST-51 monthly and quarterly returns must be filed either online or by phone through the Sales and Use Tax EZ File Systems. Any sales and use tax payments must also be made electronically.*
- *This publication reflects the changes that took effect October 1, 2005, under legislation (P.L. 2005, c.126) that conformed New Jersey’s Sales and Use Tax Act to the requirements of the Streamlined Sales and Use Tax Agreement (SSUTA). The purpose of the agreement is to simplify and modernize the administration of the sales and use tax laws of the member states.*
- *The New Jersey sales and use tax rate increased from 6% to 7% effective July 15, 2006. Tax is due at the rate of 6% on or before July 14, 2006, and at 7% on and after July 15, 2006.*

General Information

Retail sales of most merchandise and certain services sold within New Jersey are subject to State sales tax. See Tax Topic Bulletin [S&U-4, New Jersey Sales Tax Guide](#), for information on the taxability of products and services.

Use tax is a compensating tax which the buyer must pay directly to the State whenever sales tax is not collected by the vendor of certain taxable products or services acquired for use in New Jersey. Use tax is calculated at the same rate as sales tax. For more information, see publication [ANJ-7, Use Tax in New Jersey](#).

Leasing. The streamlined sales and use tax changes affect the tax treatment of leases and rentals that are entered into on or after October 1, 2005. Prior to October 1, 2005, a distinction was made between leases and rentals. A “lease” was a long-term transaction with an original contract term longer than 28 days on which the lessor (owner of the leased property) was responsible for paying use tax. A “rental” was a short-term transaction with an original contract term of 28 days or less on which the renter paid sales tax.

Beginning October 1, 2005, the 28-day contract term distinction between leases and rentals is no longer relevant. The lessor must now collect sales tax from the lessee (person who leases or rents property) regardless of the length of the lease or rental. For leases or rentals with a term of *six months or less*, sales tax must be collected with each periodic payment. For leases or rentals

of *more than six months*, the full amount of tax is due up front in the period in which the lessee takes delivery of the property.

For transactions with a term of more than six months, the lessor and lessee must agree to calculate the tax using either the original purchase price of the property, or the total of the periodic payments required under the agreement, including interest charges directly paid by the lessee. When sales tax is paid on the purchase price, it does not have to be paid again if the lease is renewed or if the same property is subsequently leased to another party.

The changes in the law do not affect the treatment of leases or rentals entered into prior to October 1, 2005, regardless of whether the property is removed from or brought into New Jersey after October 1, 2005, before the lease or rental expired. Leases (or rentals) that are renewed for an additional period are considered new transactions to which the new rules apply.

For additional information, including information on which state's tax applies to a transaction, see the [Notice regarding leases and rentals](#).

Sales and Use Tax Returns (ST-50/ST-51).

Every entity registered in New Jersey to collect sales tax or to remit use tax must file sales and use tax returns on a regular basis. The amount of tax due for each filing period must be remitted to the State on or before the date on which the return is due.

Returns must be filed online or by phone through the New Jersey Sales and Use Tax EZ File Systems. Payments must also be made electronically by electronic check (e-check), credit card, or electronic funds transfer (EFT).

Worksheets used to file ST-50/ST-51 returns by phone are sent to businesses when they first register for sales and use tax purposes.

Other Sales and Use Tax Returns. Taxpayers reporting sales and use tax using one of the forms listed below do not file ST-50/ST-51 returns. These taxpayers must complete and file the forms according to the instructions which accompany them:

- Combined Atlantic City Luxury Tax/State Sales Tax (Form ST-250)
- Cape May County Tourism Sales Tax (Form ST-350)
- Sales and Use Tax - Salem County (Form ST-450/ST-451)
- Combined State Sales and Use Tax/Urban Enterprise Zone Sales Tax (Form UZ-50)
- NJ/NY Combined State Sales and Use Tax (Form ST-20/ST-21)
- Annual Business Use Tax Return (Form ST-18B) (For more details, see page 8)
- Sales and Use Tax Energy Return (Form ST-50EN) for vendors of energy (electricity and natural gas and utility service). Energy vendors are required to make all monthly sales tax payments by electronic funds transfer.

Filing Monthly and Quarterly Returns (ST-51 and ST-50)

1st and 2nd Months of Each Quarter

A monthly return (ST-51) must be filed for the first and/or second months of each calendar quarter (January, February, April, May, July, August, October, and November) if the amount of tax due for that month exceeds \$500. (EFT payers see *Electronic Funds Transfer (EFT)* on page 7.) When the amount due for any of these

months is \$500 or less, payment for that month may be remitted with the next quarterly return. Amounts paid with monthly returns must be included on the Total Monthly Payments line of the quarterly return (ST-50). Because Form ST-51 is not required to be filed for periods in which less than \$500 is due, there is no provision for the filing of a “zero” monthly return. However, a quarterly return must be filed even if no tax is due and no sales were made for that particular quarter. See *3rd Month of Each Quarter* below.

For more information see *Completing Monthly Returns (Form ST-51)* on page 4.

3rd Month of Each Quarter

Every three months (March, June, September, and December), all businesses that are on a reporting basis for sales and use tax purposes are required to report the total amount of quarterly receipts and tax due on a quarterly return (ST-50). A quarterly return must be filed whether or not there is any tax due or any sales were made for that particular quarter. The total amount of any quarterly sales and use tax due (after taking credit for monthly payment(s) for the quarter) must be remitted electronically by the due date of the return.

For more information see *Completing Quarterly Returns (Form ST-50)* on page 4.

Due Dates for Forms ST-50/51

Both monthly and quarterly returns are due by the 20th day of the month following the period covered by the return. For example, if a monthly return (ST-51) is required for the month of , it must be filed no later than December 20, and a quarterly return (ST-50) for the fourth quarter

(ending December 31) must be filed by January 20. If the due date falls on a Saturday, Sunday, or legal holiday, the return is due on the next business day. Returns transmitted by 11:59 p.m. on the due date will be deemed timely.

Nonreporting Businesses

When a business which is registered to collect sales tax and/or remit use tax finds that it is not required to do so (e.g., the business sells only nontaxable items or items for resale, and also does not incur any use tax liability on its own taxable purchases), it may file a Request To Be Placed On A Non-Reporting Basis (Form C-6205-ST).

All requests to be placed on a nonreporting basis must be signed by an officer of the corporation or the owner (sole proprietor or any partner) of the business. Once you receive notification that you have been placed on a nonreporting basis, you are no longer required to file sales and use tax returns unless you incur a sales and/or use tax liability.

To obtain Form C-6205-ST, visit the Division of Taxation’s Web site at www.state.nj.us/treasury/taxation/prntsale.htm or call NJ TaxFax at **609-826-4500** from your fax machine’s phone. You can also obtain Form C-6205-ST through the Automated Tax Information System at 1-800-323-4400 (from Touch-tone phones within NJ, NY, PA, MD, or DE) or 609-826-4400 (from Touch-tone phones anywhere). Select the Forms Request System. To request Form C-6205-ST, press “9” and you will be prompted to leave a voice mail message with the form name and number and your name and address, since this form is not specifically listed by name. If you do not have a Touch-tone phone or need additional

information, contact the Division of Taxation's Customer Service Center at 609-282-6400.

Sales and Use Tax EZ File Systems

Online. You may file sales and use tax returns on the Division of Taxation's Web site at www.state.nj.us/treasury/taxation/. Choose "File, Pay Online" on the navigation bar, scroll down to "Sales and Use Tax," select "Form ST-50/51," and follow the instructions.

To use this service, you must enter your New Jersey taxpayer identification number *and* either your 4-digit sales tax PIN (Personal Identification Number) or your registered taxpayer name. If you use your taxpayer name, you will not be able to view any returns or payments previously submitted or make a payment using EFT.

Phone. You may also file sales and use tax returns by phone. The EZ Telefile worksheets and instructions are available on the Division's Web site. Simply complete the appropriate worksheet, call the Business Paperless Telefiling System at 1-877-829-2866, select the Sales and Use Tax EZ File System, and enter the information from your worksheet using your Touch-tone telephone keypad.

Completing Monthly Returns (Form ST-51)

If you are required to file a monthly return (ST-51) for a particular month, report only the sales and use tax due for that month. The amount of *sales tax* due is the larger of:

- Total taxable receipts for the month (gross receipts minus exempt sales) multiplied by the sales tax rate (do not include amounts collected for sales tax), **or**

- Actual amount of sales tax collected for the month.

Add to the amount of sales tax any *use tax* that is due and report the total on the monthly return as "Tax Due" if you are filing online or "Amount of Tax Due" if you are filing by phone.

If you are filing your return by phone, you will also be able to enter the amount of any penalty and interest charges incurred for late payment and/or late filing (see *Penalties, Interest, and Collection Fees* on page 11.) If you are unable to determine this amount, the State will calculate the penalties and interest and send you a bill.

Example

The Valley Auto Rental Agency, Inc., began business on April 20. Sales tax collected for the month of April was \$396. In May, the agency was open for the full month and had \$1,860 due in sales tax and \$115 due in use tax. For the month of May this vendor files a monthly return and remits \$1,975 by June 20. Since the amount of sales tax collected in April *did not exceed* \$500, that amount may be remitted when filing the quarterly return (ST-50) due on July 20.

Remember: When the amount due for the first or second month of a quarter is \$500 or less, payment for that month may be remitted with the next quarterly return.

Completing Quarterly Returns (Form ST-50)

Gross Receipts for Quarter. Report the total gross receipts (to the nearest dollar) from all transactions, including exempt transactions, that occurred during the three-month reporting period covered by the return. Do not include in gross receipts any amounts collected as sales tax.

Gross receipts must be reported on an accrual basis, not as collections are made. Receipts from lease transactions must also be included.

Deductions. You may deduct the amount of all sales (to the nearest dollar) that are not taxable under New Jersey law. This includes out-of-State sales, sales for which an exemption certificate that is valid in New Jersey was accepted in lieu of tax, and returns of goods that were sold during the same quarter. For more information, see the instructions for the New Jersey Sales and Use Tax EZ Telefile System.

Use Tax Due. Report the total amount of use tax due for taxable tangible personal property or taxable services used during the quarter on which no sales tax was paid. Do not include any tax due on lease transactions.

Total Monthly Payments. If you have already paid part of your quarterly liability with your monthly return for the first and/or second month of the quarter, take credit for these payments on your quarterly return.

Quarterly Amount Due. The EZ File system will calculate the sales and use tax balance due for the quarter. If your total monthly payments exceed the total tax due, you may be eligible for a refund. (To obtain a refund you must file a Claim for Refund, Form A-3730, which is available online and by phone. See page 12.)

Penalty and Interest. Compute any penalty and interest charges incurred for late payment and/or late filing (see *Penalties, Interest, and Collection Fees* on page 11). If you are unable to determine this amount, enter "0." The State will calculate the penalties and interest and send you a bill.

Total (Adjusted) Amount Due. The EZ File system will calculate the total amount due for the quarter. If you have a balance due, you can pay by e-check, credit card, or EFT. See *How to Pay* on page 6. You are not required to submit your payment on the same day that you file, however, your payment must be made by the due date to avoid penalty and interest charges.

Line-by-Line Instructions (Online Worksheet)

Line 1 – Gross Receipts for Quarter. Enter gross receipts to the nearest dollar.

Line 2 – Deductions. Enter deductions for the quarter to the nearest dollar.

Line 3 – Balance Subject to Tax. Subtract Line 2 from Line 1 and enter the result on Line 3.

Line 4 – Sales Tax Due. Multiply Line 3 by the sales tax rate. The sales tax due is the larger of this figure or the actual amount of sales tax collected during the quarter.

Line 5 – Use Tax Due. Enter the total use tax due for the quarter.

Line 6 – Total Tax Due. The system will calculate the total tax due by adding Line 4 and Line 5.

Line 7 – Total Monthly Payments. Enter the total of any payments made for the first and/or second month(s) of the quarter.

Line 8 – Quarterly Amount Due. The system will calculate the quarterly amount due by subtracting Line 7 from Line 6.

Line 9 – Penalty and Interest. Enter the amount of penalty and interest charges, if any.

Line 10 – Adjusted Amount Due. The system will calculate the total amount due by adding Line 8 and Line 9.

Line-by-Line Instructions (EZ Telefile Worksheet)

Line 1 – Period Covered by Return. Indicate the calendar quarter covered by the return and the year in which the quarter fell unless the information is preprinted on the worksheet.

Line 2 – Gross Receipts for Quarter. Enter gross receipts for the quarter to the nearest dollar.

Line 3 – Deductions. Enter deductions for the quarter to the nearest dollar.

Line 4 – Amount of Tax Collected. Enter the amount of sales tax collected for the quarter.

Line 5 – Sales Tax Due. EZ Telefile will calculate the sales tax due and provide the amount to you. (The amount of sales tax due may be greater than the amount collected.)

Line 6 – Use Tax Due. Enter the total use tax due for the quarter.

Line 7 – Total Tax Due. EZ Telefile will calculate the total tax due by adding Line 5 and Line 6.

Line 8 – Total Monthly Payments. Enter the total of any payments made for the first and/or second month(s) of the quarter.

Line 9 – Quarterly Amount Due. EZ Telefile will calculate the quarterly amount due by subtracting Line 8 from Line 7.

Line 10 – Penalty and Interest. Enter the amount of penalty and interest charges, if any.

Line 11 – Total Amount Due. EZ Telefile will calculate the total amount due by adding Line 9 and Line 10.

How to Pay

Sales and use tax payments for monthly (ST-51) and quarterly (ST-50) returns must be made electronically by electronic check (e-check), credit card, or EFT. Payments made by 11:59 p.m. on the due date will be deemed timely even if the settlement date (date payment is debited from the account) is the next business day.

Electronic Check (e-check)

You will be given an opportunity when filing your return to pay your tax liability by e-check. If you choose to pay by e-check, you will need your bank's 9-digit routing number and your account number (up to 17 characters – numbers only) to make a payment. Be sure to enter this information in the Payment section of your worksheet **before** you file your return by phone or online.

If you choose not to pay the tax due when you file your return, you can make an e-check payment by itself in a separate call to the Business Paperless Telefiling System. However, your payment must be made by the due date to avoid penalty and interest charges.

Credit Card

If you file your return online, you will have an opportunity while filing to pay your tax liability

by credit card. When filing by phone, call 1-800-2PAYTAX, toll-free or go to www.officialpayments.com after you have filed your return and received a Confirmation Number. There is a convenience fee of 2.5% of your liability paid directly to Official Payments Corporation.

Electronic Funds Transfer (EFT)

Taxpayers with a prior year liability of \$10,000 or more in any tax are required to make their payments for all taxes by EFT. Taxpayers required to remit payments by EFT have the following payment options: traditional EFT debit or credit, e-check, and credit card. Any of these options may be used to meet the EFT payment requirement. FED Wires or other wire transfers are not acceptable methods of EFT payments.

Taxpayers choosing to use the EFT debit or credit method of payment must first enroll with the Division of Revenue. Enrollment is not required for e-check or credit card payments. Taxpayers that are not required to pay by EFT may choose to voluntarily register to submit payments by EFT credit or debit.

When payments are made by EFT, a Quarterly Sales and Use Tax Return (ST-50) must still be completed and filed by the 20th day of the month following the period covered by the return.

NOTE: Taxpayers *required* to pay by EFT or that voluntarily pay by EFT debit or credit do not file monthly returns (ST-51) but must *remit* sales and use tax on the same monthly basis as other taxpayers for months in which the amount of tax due exceeds \$500. Their monthly payment satisfies the filing requirement.

For more information on the Electronic Funds Transfer Program visit the Division of Revenue's Web site at www.state.nj.us/treasury/revenue/ or write to:

NJ DIVISION OF REVENUE
EFT UNIT
PO Box 191
TRENTON NJ 08646-0191

or contact the Division of Revenue by phone at 609-984-9830 or by fax at 609-292-1777.

Amended Returns

Errors on monthly returns (ST-51) are adjusted on the quarterly return (ST-50) for that quarter. When a mistake occurs on a quarterly return you must file an amended return for that quarter. You may amend a quarterly return through the Business Paperless Telefiling System, or online, or by completing a paper Amended Quarterly Sales Tax Return (Form ST-607A). Also, file a Claim for Refund (Form A-3730) if the correction results in an overpayment of tax for the quarter.

Example

You remit \$975 in sales tax with your July monthly return (ST-51) and \$745 for August, for total monthly payments of \$1,720. In September, you collect \$650 in sales tax and refund \$30 in sales tax to a customer who returned an item purchased in July for \$500.

When you file your return for the quarter ending September 30, you will reflect the overpayment of sales tax resulting from the returned item by including a deduction of \$500 on the quarterly return. This reduces your quarterly *taxable* receipts from \$39,495 to \$38,995 and your tax liability for the quarter from \$2,370 to \$2,340.

The balance due with the return is then \$2,340 less \$1,720 = \$620, not \$650.

Suppose you forgot to include the \$500 deduction for the returned item when you filed your quarterly return. Your quarterly return will show a tax liability for the quarter of \$2,370. If you subtract monthly payments of \$1,720 and remit the \$650 due, your account will be overpaid. To correct the mistake, file an amended quarterly return that shows the correct figures, and submit a claim for a \$30 refund on Form A-3730.

Annual Business Use Tax Return (Form ST-18B)

Nonvendor Businesses Eligible

“Nonvendors” are those businesses or other entities registered with the State that neither sell taxable goods or services nor lease taxable property to others (e.g., dentists, lawyers).

Nonvendors whose *average* annual use tax liability for the three preceding calendar years is \$2,000 or less are not required to file monthly and/or quarterly sales and use tax returns, but may instead file an Annual Business Use Tax Return (Form ST-18B) to report any taxable purchases made during the calendar year upon which use tax is due. Such qualified nonvendors need not file Form ST-18B for any calendar year in which no use tax is due. Nonvendors whose average annual use tax liability for the three previous calendar years exceeds \$2,000 must file monthly and quarterly sales and use tax returns (Forms ST-50 and ST-51). They may not use Form ST-18B.

NOTE: Only nonvendor businesses may qualify to use the Annual Business Use Tax Return (Form ST-18B). Businesses that are required to collect and remit sales tax, or lessors of taxable property must report and remit their sales *and* use tax on monthly and/or quarterly returns.

Nonvendors who qualify to file Form ST-18B but are currently filing regular sales and use tax returns (i.e., Forms ST-50 and ST-51), or who are on a nonreporting basis for sales tax, must change their eligibility status to “business use tax” before they may file the Annual Business Use Tax Return (Form ST-18B). To request business use tax eligibility call the Client Registration Bureau at 609-292-1730 or write to:

NJ DIVISION OF REVENUE
CLIENT REGISTRATION BUREAU
PO BOX 252
TRENTON NJ 08646-0252

Due Date for Form ST-18B

The Annual Business Use Tax Return (Form ST-18B) covers purchases made during the calendar year (January 1 through December 31) and must be filed by May 1 of the following year if any use tax is due. If May 1 falls on a Saturday, Sunday, or legal holiday, the return is due on the next business day.

Completing Form ST-18B

Line 1 – Total of Purchases Subject to New Jersey Use Tax

Enter the amount of all purchases of taxable tangible personal property or services used by you within New Jersey during the calendar year for which you have paid no sales or use tax to New Jersey or to any other state or to the District of

Columbia. If you have paid sales tax at a rate lower than New Jersey's rate and the other state has sales tax reciprocity with New Jersey, you owe the difference to New Jersey.

Line 2 – Use Tax Due

Multiply the amount on Line 1 by the use tax rate and enter the total tax due. Subtract the amount of credit allowed for sales tax paid in another jurisdiction (see instructions for completing Form ST-18B) and enter the net amount of use tax due.

Line 3 – Penalty and Interest

Compute any penalty and interest charges incurred for late payment and/or late filing and enter the amount on Line 3 (see *Penalties, Interest, and Collection Fees* on page 11). If you owe

penalty and interest and are unable to calculate this amount, leave this line blank and you will receive a bill.

Line 4 – Total Amount Due

Add the amounts on Lines 2 and 3. This is the amount you must remit with your return.

Example

Marcia Campbell, a dentist, owed an average of \$860 in use tax due over the prior three calendar years. During 2005, Dr. Campbell bought \$32,300 worth of taxable equipment and supplies from an Ohio vendor and paid no sales tax on the purchases. Dr. Campbell completed an ST-18B as shown below and submitted it with a payment of \$1,938 by May 1, 2006.

ST-18B		State of New Jersey Annual Business Use Tax Return												
12-05	This return is due May 1, 2006 for the tax year ending December 31, 2005													
222-444-999/000 MARCIA A. CAMPBELL, DDS MACDENTISTS, INC. 22331/2 SHADY BRANCH CIRCLE BERLIN NJ 08323		1) Total of Purchases Subject to New Jersey Use Tax	<table border="1"> <tr><td></td><td></td><td></td><td></td><td>3</td><td>2</td><td>3</td><td>0</td><td>0</td><td>0</td><td>0</td></tr> </table>					3	2	3	0	0	0	0
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		3) Penalty & Interest	<table border="1"> <tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr> </table>											
		4) Total Amount Due	<table border="1"> <tr><td></td><td></td><td></td><td></td><td>1</td><td>9</td><td>3</td><td>8</td><td>0</td><td>0</td></tr> </table>					1	9	3	8	0	0	
				1	9	3	8	0	0					
Make Check or Money Order Payable to: New Jersey Use Tax Mail to: Division of Taxation Revenue Processing Center PO Box 999 Trenton, NJ 08646-0999														

NOTE: Only nonvendor businesses may qualify to use the Annual Business Use Tax Return (Form ST-18B). Businesses that are required to collect and remit sales tax, or lessors of taxable property must report and remit their sales tax *and use tax* on monthly and/or quarterly returns.

Accrual Method of Accounting

The accrual method of accounting must be used when reporting gross receipts and sales tax. Under this method, all receipts are reported in the period in which the sale took place, no matter when or if payment is actually received from the customer.

Example

A store sells a suite of bedroom furniture to a customer. The customer signs an agreement of sale and accepts delivery of the furniture in March. However, the customer does not make a payment until May. The store must include the full amount of the sale in its gross receipts for March and remit the sales tax due with its quarterly return (ST-50) due April 20, even though payment was not received until the following quarter. (This transaction will not be reported at all in the second quarter.)

Obtaining Forms and Worksheets

To obtain copies of the Sales and Use Tax EZ Telefile worksheets and instructions, the ST-50 worksheet for online filing, or Form ST-18B and instructions:

- Visit the Division of Taxation's Web site at www.state.nj.us/treasury/taxation/
- Call the Forms Request System from a Touch-tone phone at 1-800-323-4400 (within NJ, NY, PA, DE, and MD) or 609-826-4400 (anywhere).
- Call NJ TaxFax at 609-826-4500 from your fax machine's phone.

To request that your business be placed on a nonreporting basis, obtain information about filing consolidated returns for multiple locations, or notify the State that you will begin to collect sales tax, contact the Division of Taxation's Customer Service Center at 609-292-6400 or write to:

NJ DIVISION OF REVENUE
PO Box 252
TRENTON NJ 08646-0252

Information Changes

To notify the State of a change in your identification information (identification number, name, business address, mailing address, etc.) complete Form REG-C-L, Request for Change of Registration Information, which is located in the NJ REG business registration package. Certain changes to business registration information can be made online at: www.state.nj.us/njbgs/services.html

When notifying the State of a change in ownership or the incorporation of a business, the "new" business must complete a registration form (Form NJ-REG). A Public Records filing may also be required depending upon the type of business ownership. The "old" business must be ended by completing Form REG-C-L indicating the date on which the type of ownership changed. Additional procedures may also need to be followed. For more information see publication [ANJ-13, *Ending Your Tax Registration in New Jersey*](#).

Tax Held in Trust for the State

Anyone who collects sales tax from customers does so as trustee on behalf of the State. All tax collected, including amounts in excess of the *required* tax (calculated by multiplying the amount of the taxable receipts by the sales tax rate), must be periodically remitted to the State with the appropriate sales and use tax return. Under the law, business owners, partners, corporate officers, and some employees may be *personally liable* to the State for failure to collect sales tax when required or to file a return and remit any tax when due. Penalties and interest are imposed for such violations.

Penalties, Interest, and Collection Fees

When a return is filed after its due date or tax is paid late, penalties and interest will be assessed as follows:

- **Late Filing Penalty:** 5% per month (or fraction of a month) up to a maximum of 25% of the amount of the underpayment when a return is filed after the due date. Additional penalties for late filing may also be imposed.
- **Late Payment Penalty:** 5% of the outstanding tax balance may be imposed.
- **Amnesty Penalty:** 5% of the outstanding tax balance for returns due on or after January 1, 1987, and before January 1, 2002, which were not paid in full during New Jersey's amnesty periods March 15, 1996, to June 1, 1996, and April 15, 2002, to June 10, 2002.
- **Interest:** 3% above the prime rate for every month (or fraction of a month) the tax is unpaid, compounded annually. At the end of each calendar year, any tax, penalties, and interest remaining due (unpaid) will become part of the balance on which interest is charged.
- **Collection Fees:** In addition to the above penalties and interest, if your tax bill is sent to a collection agency, a referral cost recovery fee of 10% of the tax due will be added to your liability. If a certificate of debt is issued for your outstanding liability, a fee for the cost of collection may also be imposed.

For More Information

By Phone

- Call the Division of Taxation's Customer Service Center at **609-292-6400**
- TTY equipment users call **1-800-286-6613** (within NJ, NY, PA, DE, and MD) or **609-984-7300** (anywhere)

Online

- Division of Taxation Web site:
www.state.nj.us/treasury/taxation/
- E-mail: **nj.taxation@treas.state.nj.us**
- Subscribe to *NJ Tax E-News*, the Division of Taxation's online information service, at:
www.state.nj.us/treasury/taxation/listservice.htm

In Writing

New Jersey Division of Taxation
Information and Publications Branch
PO Box 281
Trenton, NJ 08695-0281

Order Forms and Publications

- Call the Forms Request System at **1-800-323-4400** (Touch-tone phones within NJ, NY, PA, DE, and MD) or **609-826-4400** (Touch-tone phones anywhere)
- Call NJ TaxFax at **609-826-4500** from your fax machine's phone
- Visit the Division of Taxation's Web site:
www.state.nj.us/treasury/taxation/